United Nations A/62/253

General Assembly

Distr.: General
13 August 2007

Original: English

Sixty-second session
Item 61 (b) of the provisional agenda*
Operational activities for development: triennial comprehensive policy review of operational activities for development of the United Nations system

Triennial comprehensive policy review of operational activities of the United Nations development system: conclusions and recommendations

Report of the Secretary-General

Summary

The present report contains a synopsis of the analysis of the operational activities for development of the United Nations system conducted pursuant to General Assembly resolution 59/250 and resolution 2006/14 of the Economic and Social Council. The report includes appropriate recommendations, as requested in paragraph 103 of resolution 59/250, which take into account the views and comments of Member States expressed during the operational activities segment of the 2007 substantive session of the Economic and Social Council. The report of the Secretary-General (A/62/73-E/2007/52) presents an analysis of the extent to which the United Nations system has provided efficient and effective support to developing countries to realize their national development strategies and achieve the internationally agreed development goals, including the Millennium Development Goals, within the context of their national development priorities.

The present report proposes a number of innovations and presents recommendations to orient suggested follow-up action in relation to: (a) the funding of operational activities for development of the United Nations system; (b) building a comprehensive and sustainable financial data and reporting system for the operational activities of the United Nations system; (c) strengthening results-based management and overall accountability and transparency of the system;

* A/62/150.

07-45779 (E) 120907

(d) reinforcing national ownership and leadership, notably in capacity development efforts; (e) mainstreaming South-South and triangular cooperation; (f) gender mainstreaming and women's empowerment; (g) enhancing the role of the United Nations system in the transition from relief to development; (h) strengthening relevance, coherence and effectiveness in the delivery of operational activities at the country level, taking into account the "Delivering as one United Nations" pilots; (i) increased emphasis on regional dimensions; (j) achieving a better understanding of transaction costs and a renewed effort to enhance efficiency; (k) improving United Nations staff capacities and knowledge management; and (l) a new emphasis on evaluation capacity development in recipient countries and strengthened evaluation functions in the United Nations system.

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I. Introduction

1. The present report provides a synopsis of the detailed analysis of the implementation of resolution 59/250, contained in the report of the Secretary-General on the triennial comprehensive policy review of operational activities of the United Nations development system (A/62/73-E/2007/52). Like the analytical report, this report is structured around a few major themes. This report also contains recommendations for the consideration of the General Assembly as requested in paragraph 103 of resolution 59/250.

2. This report takes into account the views and comments of Member States expressed during the operational activities segment of the substantive session of the Economic and Social Council (10 to 12 July 2007). The Council took note with appreciation of the detailed analysis in the report of the Secretary-General on the Review of operational activities (A/62/73-E/2007/52), as well as of the companion report (A/62/74-E/2007/54), containing the comprehensive statistical analysis of the financing of operational activities for development of the United Nations system.[1]

3. The review of the implementation of resolution 59/250 focused on assessing the extent to which the United Nations system has provided efficient and effective support to developing countries to help them to realize their national development strategies and achieve the internationally agreed development goals, including the Millennium Development Goals, within the context of national development priorities. Operational activities for development of the United Nations system are valued and assessed on the basis of their impact on the recipient countries' capacity to pursue poverty eradication, sustained economic growth and sustainable development.

4. The recommendations in this report address many, but not all, of the issues that impinge on the overall objective of enhancing coherence and effectiveness of operational activities at the country level. In particular, governance issues and the consistency of the policies and guidance that the intergovernmental bodies of the system provide can be a major factor affecting coherence and effectiveness of the system. While these dimensions are not addressed in this report, the current discussions in the General Assembly of the recommendations of the High-level Panel on System-wide Coherence,[2] in the areas of development, humanitarian assistance and the environment and the ongoing processes related to the reform and structuring of the Economic and Social Council, provide opportunities for addressing these issues as part of the overall effort to enhance the quality and impact of the collective contribution of the United Nations system to development cooperation.

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[1] See A/62/39, containing the report of the fifteenth session of the High-level Committee on South-South Cooperation (29 May-1 June 2007); E/2007/CRP.1, submitted by the United Nations Development Group Executive Committee; and E/2007/CRP.3, the progress report for 2007 on the implementation of resolution 59/250.

[2] The High-level Panel on System-wide Coherence was established by the Secretary-General as a follow-up to the 2005 World Summit. Its report was presented to the General Assembly in December 2006 (A/61/583). In April 2007, the Secretary-General conveyed his views on the report to Member States (see A/61/836). Informal debates conducted at the General Assembly since May 2007 have allowed Member States to further consider recommendations of the Panel.

Recommendations

5. **In the light of views and comments expressed by Member States during the operational activities segment of the 2007 substantive session of the Economic and Social Council, the General Assembly may wish to:**

(a) **Request the Secretary-General to submit to the Economic and Social Council at its session of 2008 a detailed report on the management process for the implementation of the forthcoming 2007 resolution of the triennial comprehensive policy review that defines:**

(i) **Results to be achieved through the implementation of the new resolution in a format that will allow for adequate monitoring and evaluation of these results according to the principles of results-based management;**

(ii) **Interdepartmental and inter-agency measures that need to be set in motion for the implementation of the forthcoming resolution of the triennial comprehensive policy review specifying the United Nations entities and interdepartmental and/or inter-agency bodies, including the Chief Executives Board for Coordination (CEB), the United Nations Development Group (UNDG) and the United Nations Evaluation Group (UNEG), with responsibility for follow-up of such measures and processes;**

(b) **Request the Secretary-General to submit to the Economic and Social Council, at its sessions of 2009 and 2010, detailed reports on results achieved and measures and processes implemented as follow-up to the 2007 resolution of the triennial comprehensive policy review.**

II. Contribution of operational activities for development of the United Nations system

6. As follow-up to the 2000 Millennium Summit, the 2005 World Summit reaffirmed that development, together with peace and security and human rights, is a pillar of the United Nations system. A key message was the need to move forward with the implementation of the internationally agreed development goals, including the Millennium Development Goals. At the midpoint of the 15-year period to implement the Millennium Development Goals, progress towards the achievement of the goals is still uneven and overall unsatisfactory. Many developing countries are still unable to develop their productive sectors and participate in and benefit from the process of globalization. Progress towards poverty eradication has been slow and uneven. Environmental degradation exacerbates the vulnerability of the disadvantaged populations and attenuates the benefits of development.

7. Operational activities for development of the United Nations system need to respond to development needs of developing countries in a flexible manner and in accordance with their national development strategies and priorities for development. The bedrock principles of operational activities of the United Nations system derive from their universal, voluntary and grant nature and their neutrality and multilateralism. Operational activities are therefore strongly anchored in the normative mandates and roles established by the United Nations system. In

countries in transition from relief to development there are links between humanitarian action, development and peacebuilding.

8. The United Nations development system has increasingly focused on results-based management, accountability and transparency at the global, regional and country levels. But there is still room for improvement in the degree of strategic focus and measurability of the results frameworks at all levels and in the use of monitoring and evaluation functions.

9. The knowledge, skills and resources made available to developing countries by some 40 funds, programmes, agencies and other entities of the United Nations development system are of unparalleled breadth and depth. But challenges remain in making the United Nations development system more coherent and efficient. At present, the United Nations development system is not configured at the country level to allow developing countries to have optimal access to all resources from across the United Nations development system, including those from specialized agencies and other global and regional entities.

III. Funding for operational activities of the United Nations development system

10. In resolution 59/250, the General Assembly stressed that core/regular resources, because of their united nature, continue to be the bedrock of operational activities for development. In recent years, the United Nations system has attracted growing levels of total funding, albeit mainly as a result of an increase in non-core/supplementary/extrabudgetary funding. The share of core/regular resources over the total contributions received by the United Nations system has been on the decline. A zero nominal growth policy has been applied to the regular budgets of most of the specialized agencies. While enabling the expansion of overall activities, non-core/supplementary/extrabudgetary funding has not necessarily supported the organizations' response to the new demands emerging from the United Nations development agenda.

11. The introduction of the multi-year funding frameworks and of results-based management by the major United Nations funds and programmes has allowed the organizations to refine managerial approaches, but it has not advanced sufficiently the desired goal of linking approved programme levels to committed funding for operational activities for development. Some specialized agencies have, with different degrees of success, used results-based budgeting approaches that present some features of the replenishment system of international financial institutions.

12. The growth of non-core/supplementary/extrabudgetary funding, and of the number of associated projects, increases transaction costs for all organizations and is a definite factor that might hinder the effort to maximize efficiency. Supplementary/extrabudgetary funding raised at the country level tends to be more responsive to countries' needs. But competition among United Nations organizations for a limited pool of funding complicates the system's drive for greater unity and coherence. The dependence of the United Nations system on non-core/supplementary/extrabudgetary funding also risks affecting the perception of its role as a trusted partner of national Governments. Non-core/supplementary/extrabudgetary funding is an important complement to core/regular resources, but needs to become more

predictable and streamlined, if it is to be conducive to greater coherence and effectiveness of operational activities for development at the country level.

13. In resolution 59/250, the General Assembly called for full cost recovery for the administration of non-core/supplementary/extrabudgetary funding. The rates of cost recovery policies have been harmonized at 7 per cent among funds and programmes and for some joint programmes at the country level. The United Nations Secretariat and specialized agencies often use higher rates. The results in terms of full cost recovery may fall short of expectations for some organizations, as they do not systematically charge or recover all of the costs involved in the management of projects funded from non-core/supplementary/extrabudgetary sources.

14. In line with General Assembly resolution 59/250, comprehensive statistical analyses of the financing of operational activities for development of the United Nations system were prepared in 2006 and 2007, which presented a number of innovative features. The data coverage and analysis were strengthened through: (a) greater disaggregating; (b) reconciliation of the difference between the estimates of the United Nations and the Development Assistance Committee of the Organization for Economic Cooperation and Development of the contributions to the United Nations system; (c) documentation of increased contributions from developing countries; (d) expanded analysis of humanitarian assistance; and (e) analysis of regional expenditures and documentation of increased expenditures in least developed countries.

Recommendations

15. **The General Assembly may wish to:**

(a) **Recognize the need for substantial and sustained increase of non-earmarked funding for operational activities for development of the United Nations system, including core resources and other non-earmarked voluntary contributions for funds and programmes, as well as assessed contributions for specialized agencies, thus supporting and responding to improvements in results-based management and efforts towards greater effectiveness, efficiency and coherence, as well as accountability and transparency of the United Nations development system;**

(b) **Urge developed countries and other countries in a position to do so to increase their non-earmarked contributions, including core/regular funding, to operational activities of the United Nations system and to consider reviewing zero-growth policies with regard to assessed contributions to regular budgets of some specialized agencies, in order to enable the United Nations system to respond in a more comprehensive and effective way to the new demands of the United Nations development agenda;**

(c) **Recognize the contribution of non-core/supplementary/extrabudgetary resources to the increase of total resources for operational activities for development, and request the Economic and Social Council and governing bodies of specialized agencies and other entities to explore ways and means to increase the adequacy and long-term predictability of earmarked resources, e.g., through:**

(i) **Exploration of alternative mechanisms for resource mobilization that enhance stability and predictability of non-core and supplementary contributions and reduce fragmentation of activities and transaction cost;**

(ii) **Harmonization of funding cycles of funds, programmes, specialized agencies and other entities of the United Nations development system, whenever possible;**

(iii) **Further strengthening of strategic planning and results-based management, as well as of accountability and transparency across the United Nations development system;**

(d) **Call for a United Nations systemwide effort to further develop consolidated guidance and oversight mechanisms concerning:**

(i) **Adequate and realistic budgeting of United Nations development assistance frameworks and other planning instruments of operational activities of the United Nations system at the country level;**

(ii) **Appropriate systems for resource mobilization at the country level, including from core/regular and non-core/supplementary resources of funds, programmes, specialized agencies and other entities, that reduce competition between United Nations organizations and enhance relevance, coherence and complementarity of operational activities for development of the United Nations system;**

(iii) **Monitoring and reporting systems regarding income and expenditures for operational activities for development through United Nations development assistance frameworks and other mechanisms at the country level;**

(e) **Request the Secretary-General to report to the Economic and Social Council on an annual basis on progress made and lessons learned with new budgetary framework models tested in the "Delivering as one United Nations" pilot countries and provide a comprehensive report to the General Assembly in 2010 on experiences with new integrated budgetary framework models and their benefits in terms of results-based management, budgeting and reporting;**

(f) **Request the Secretary-General to:**

(i) **Continue to broaden and improve the coverage, timeliness, quality and comparability of systemwide financial data, definitions and classifications for the financial reporting of operational activities for development of the United Nations system in a coherent and flexible way that is able to adjust to its changing architecture;**

(ii) **Build a comprehensive and sustainable financial data and reporting system for the operational activities for development of the United Nations system to include all the relevant entities of the United Nations development system and work in close consultation and collaboration with these entities to accomplish this task.**

IV. Contribution of United Nations operational activities to national capacity development and development effectiveness

A. Capacity development

16. The United Nations development system has a direct role in capacity development at the country level, and its efforts are embedded in national processes. Many organizations are specifically mandated to develop technical and technological capacity, including the facilitation of access to new and emerging technologies and adaptation of imported technologies to local conditions. Capacity development is commonly associated with various forms of support aimed at individuals (training), institutions (organizational development) and the enabling environment (support to policies and strategies).

17. There is also a strong link between capacity development and various dimensions of the system's normative and operational roles. Normative roles are decided through intergovernmental processes and include the promotion of agreements on development goals, respect for and promotion of human rights, including the right to development, gender equality and other internationally agreed norms and standards. Coherence in systemwide policies and implementation through operational activities is ensured by the Executive Committee on Economic and Social Affairs. The system's operational roles are carried out within the framework of these goals and norms, and serve to advance them by supporting developing countries, at their request and with their ownership and leadership, to strengthen their capacity to address development challenges. The specific roles the United Nations system will actually perform in a given country will in principle be determined through agreements between the national partners and United Nations organizations.

18. United Nations organizations generally give priority to the engagement of national staff and the use of national expertise and national institutions. National execution and the use of national expertise have become mainstreamed and aim to strengthen national ownership and to enhance sustainability of results.

19. The United Nations system contributes to the capacity of developing countries to optimize the utilization of various aid modalities, including budget support. The United Nations system is expected to support national capacities that will enable developing countries to exercise ownership and leadership over external assistance and aid coordination. The United Nations system also plays an important role in enhancing national capacities to monitor and assess progress in poverty eradication and other internationally agreed development goals.

Recommendations

20. **The General Assembly may wish to:**

(a) **Endorse the definition of capacity development, proposed by UNDG, as the process whereby people, organizations and society as a whole unleash, strengthen, create, adapt and maintain capacity over time, and the definition of capacity as the ability of people, organizations and society as a whole to manage their affairs successfully;**

(b) **Emphasize that capacity development and national ownership of national development strategies are essential for the achievement of internationally agreed development goals, including the Millennium Development Goals;**

(c) **Underscore that the United Nations development system has a central role to play to provide further support to the efforts of developing countries to establish and/or maintain effective national institutions and to support the implementation and, as necessary, the devising of national strategies for capacity development;**

(d) **Call for the development of a systemwide policy, and concrete strategies and measures and related oversight mechanisms on capacity development that:**

(i) **Place appropriate emphasis on supporting efforts of developing countries to eradicate poverty, achieve sustained economic growth and sustainable development with appropriate involvement of civil society and the private sector;**

(ii) **Recognize that operational roles of the United Nations system are closely linked to normative roles based on goals and norms established by Member States at the intergovernmental level, notably the internationally agreed development goals, including the Millennium Development Goals, and that the Executive Committee on Economic and Social Affairs fosters the linkages between policy and normative work, on the one hand, and operational work, on the other;**

(iii) **Recognize that the United Nations system has a role to play in all countries at the request of Member States and under their leadership and ownership for the promotion of human rights and gender equality, including through its operational activities in developing countries;**

(iv) **Create specific, measurable, achievable, relevant and time-bound results, frameworks and strategies oriented at capacity development that enable developing countries to design, monitor and evaluate results in the development of their capacities at different levels to achieve national development goals and strategies and progress towards the internationally agreed development goals, including the Millennium Development Goals;**

(v) **Strengthen the role of the United Nations system in facilitating access of developing countries to new and emerging technologies, including information and communication technologies, and their participation in the development and/or adaptation of such technologies;**

(vi) **Enable the United Nations system to strengthen the capacity of developing countries, at their request and with their ownership and leadership, to coordinate external assistance, including systemwide and sectorwide approaches and budget support, and to make the best possible use of such assistance, especially by being involved in national planning and monitoring processes and, when appropriate, by making contributions to joint funding mechanisms;**

(vii) **Ensure sustainability of capacity development activities supported by the United Nations system, including by further mainstreaming national**

execution and using national systems and national expertise and resources as the preferred implementation modality for operational activities for development of the United Nations system;

(c) **Invite countries benefiting from support of the United Nations system to take appropriate budgetary and institutional measures to ensure sustainability and mainstreaming of results of United Nations operational activities through domestic resource mobilization and/or with other forms of external support.**

B. South-South cooperation and development of national capacities

21. The new dynamism in South-South cooperation is increasing the flow of development assistance among developing countries, including through investments, grants, concessional loans and debt cancellation. The United Nations system can play a unique role in helping developing countries, at their request, establish a strong link between the operational activities that these new contributions support and the pursuit of internationally agreed development goals, including the Millennium Development Goals.

Recommendations

22. **With due consideration of decision 15/1, adopted by the High-level Committee on South-South Cooperation during its fifteenth session, held from 29 May to 1 June 2007 (see A/62/39), the General Assembly may wish to:**

(a) **Call upon all Member States in a position to do so to strengthen their support to South-South cooperation, including triangular cooperation, especially by mobilizing financial resources on a sustainable basis;**

(b) **Invite the United Nations development system to intensify its information-sharing and reporting on support provided by all funds, programmes, specialized agencies and other entities of the United Nations system to South-South and triangular cooperation;**

(c) **Encourage funds, programmes, specialized agencies and other entities of the United Nations system involved to mainstream the support to South-South and triangular cooperation in their regular activities and help recipient countries, at their request and with their ownership and leadership, to develop capacities in order to maximize the benefits and impact of South-South and triangular cooperation in order to achieve their national goals with a special emphasis on internationally agreed development goals, including the Millennium Development Goals.**

C. Gender mainstreaming

23. In October 2006, CEB adopted a comprehensive United Nations systemwide policy and strategy on gender mainstreaming in order to accelerate implementation of globally agreed commitments. The Inter-Agency Network on Women and Gender Equality will develop a United Nations systemwide action plan that includes indicators and timetables, allocation of responsibilities and accountability mechanisms and resources.

24. The UNDG task team on gender equality has supported coherent action among the United Nations organizations on gender mainstreaming and empowerment of women at the country level. Reviews of United Nations development assistance frameworks and resident coordinators' annual reports for 2004 and 2005 showed that gender equality and women's empowerment were better reflected.

25. Efforts to achieve gender balance in appointments within the United Nations system are encouraged. At the end of 2005, 37 per cent of all Professional staff members of the United Nations common system were women, while in 2000 that percentage was 33. Representation of women in the Professional staff declines significantly at or above grade P-4. Efforts are being made to achieve gender parity among resident coordinators. The percentage of women resident coordinators is still relatively low (32 per cent in 2007, half of whom are from countries in the South), but is improving gradually.

26. Gender-responsive budget initiatives around the world have demonstrated how gender analysis in budget formulation can achieve positive policy outcomes for gender equality. Capacity development is essential to ensure systematic implementation of gender-responsive budgeting.

Recommendations

27. **The General Assembly may wish to:**

(a) **Renew the resolve expressed in resolution 59/250 that all organizations of the United Nations system should, within their mandates, mainstream a gender perspective and pursue gender equality in their country programmes, planning instruments and sector-wide programmes and articulate specific country-level goals and targets in this field in accordance with national development strategies;**

(b) **Encourage the efforts of the Inter-Agency Network on Women and Gender Equality to develop and support the implementation of a systemwide action plan on gender mainstreaming, including a strengthened accountability framework for gender mainstreaming and allocation of adequate human and financial resources, on the basis of the comprehensive United Nations systemwide policy and strategy on gender mainstreaming adopted by CEB;**

(c) **Promote a United Nations systemwide common understanding of a results-based management framework with benchmarks and indicators for measuring progress in the application of gender mainstreaming strategies to achieve gender equality;**

(d) **Call upon the United Nations development system to implement guidance on gender mainstreaming and women's empowerment to ensure that:**

(i) **United Nations development assistance frameworks and other planning mechanisms of the United Nations system at the country level reflect the systemwide action plan on gender mainstreaming of the Inter-Agency Network on Women and Gender Equality;**

(ii) **The nature, quality and effectiveness of joint programmes in support of gender equality and the empowerment of women is further defined,**

particularly with regard to their effectiveness in advancing national priorities and international commitments;

(iii) Operational activities for development respond to the demand from member countries for technical support on gender-responsive budgeting and auditing and further development of a harmonized approach to gender-responsive budgeting and auditing, as well as gender-based performance criteria;

(iv) All relevant reports include adequate and concise information, including gender disaggregated data, on the progress in gender mainstreaming and women's empowerment in order to reflect good practices and lessons learned;

(v) Good practices, tools and methodologies are shared and disseminated through appropriate means and networks;

(e) Request all organizations of the United Nations development system and notably the resident coordinator system at the country level to:

(i) Avail themselves of all technical expertise on gender issues that is available in the United Nations development system;

(ii) Implement guidance concerning the appointment of gender specialist resources, gender focal points and gender theme groups by establishing clear mandates, by ensuring adequate training on gender mainstreaming and access to information and to adequate and stable resources, and by increasing the support and participation of senior staff;

(iii) Strengthen collaboration between United Nations country teams on gender equality programmes, including through joint activities, and strengthen the capacity of gender theme groups to support such activities;

(iv) Strengthen institutional accountability mechanisms, including through a more effective monitoring and evaluation framework for gender mainstreaming based on the gender scorecard developed by the United Nations Development Group;

(f) Call upon all organizations of the United Nations development system to continue efforts to achieve gender balance in appointments within the United Nations system at the central, regional and country levels for positions that affect operational activities for development, including resident coordinator appointments and other high-level posts, with due regard to representation of women from developing countries and keeping in mind the principle of equitable geographic representation.

D. Transition from relief to development

28. In situations of transition from relief to development, national authorities and national stakeholders need to assume full responsibility for overseeing, coordinating and managing recovery efforts. The United Nations development system plays a central support role to help countries establish the foundation for long-term and sustainable development, while maintaining the capacity to respond to immediate humanitarian needs that may still exist or risk to reoccur.

29. Significant efforts have been made to strengthen the resident coordinator/humanitarian coordinator systems by creating institutional linkages between the coordination structures of resident coordinators and humanitarian coordinators. Improved systems and standards for the identification, appointment and training of those individuals most able to deliver effective and accountable leadership on the ground have also been introduced.

30. Progress has been made to strengthen interdepartmental and inter-agency platforms for strategic planning at headquarters and at the country level. The endorsement of the integrated mission planning process guidelines provides an opportunity for enhanced coherence among the peacekeeping, humanitarian and development arms of the United Nations. The joint United Nations/World Bank post-conflict needs assessment methodology to support national planning for transition in immediate post-conflict settings continues to provide a strong platform for cohesion among national and international actors.

31. Through United Nations development assistance frameworks and greater use of joint programmes, there has been improved collaboration between humanitarian agencies and development-oriented organizations on issues such as return and reintegration of refugees.

Recommendations

32. **The General Assembly may wish to:**

(a) **Renew the call upon the United Nations development system to play a vital role in situations from relief to development and to undertake such transitional activities under national ownership through the development of national capacities at all levels;**

(b) **Request the organizations of the United Nations system to strengthen the capacity of national Governments, civil society and the private sector in countries in transition from relief to development, including through South-South and triangular cooperation, especially in:**

(i) **Needs assessments, programme planning, implementation and monitoring during the early and subsequent phases following natural disaster or conflict situations establishing medium- and long-term development needs and priorities;**

(ii) **Data collection systems, notably through increasing compatibility between the various information management system used by different actors during transition from relief to development with a view to generating timely, objective and reliable information, including gender-specific data, required for the management of early recovery and subsequent stages of the transition process;**

(iii) **Disaster risk reduction and preparedness and conflict prevention;**

(c) **Request the organizations of the United Nations development system to strengthen interdepartmental and inter-agency coordination notably through:**

(i) Increased integration of planning efforts through, inter alia, the integrated mission planning process to ensure that systemwide operations are consistent and responsive to country needs and priorities;

(ii) Increased cooperation and coordination between the Peacebuilding Commission and the other initiatives of the United Nations system aimed at peace, stability and security recognizing the mutually reinforcing relationship between development, on the one hand, and peace, stability and security, on the other;

(iii) Support to ongoing efforts to develop arrangements with Bretton Woods institutions designed to improve collaboration and joint responses in support of countries in transition from relief to development, especially in areas such as common planning and pooled funding mechanisms;

(iv) Making the full range of mandates, expertise and other resources of funds, programmes, agencies and other entities of the United Nations development system available to countries in transition from relief to development to achieve poverty reduction, rapid economic recovery and growth and sustainable development;

(d) Request the United Nations organizations to take measures that further strengthen the coherence, relevance, effectiveness, efficiency and timeliness of operational activities of the United Nations system in countries between relief and development notably through:

(i) Further strengthening of the resident coordinator/humanitarian coordinator systems in countries in transition from relief to development through the provision of adequate financing, further linkages between the two systems and improved standards and systems for the identification, appointment and training of individuals who occupy these posts;

(ii) Further development of common approaches among United Nations organizations for post-disaster and post-conflict needs assessments, programme planning, implementation and monitoring, with a view to providing more coherent and effective support to national capacity development in countries in transition from relief to development;

(e) Recognizing the inadequacy and lack of predictability of funding of operational activities in countries in transition from relief to development, urge developed countries and other countries in a position to do so to:

(i) Provide timely, long-term, predictable and flexible financial contributions for operational activities of the United Nations system in countries in transition from relief to development;

(ii) Include in humanitarian funding flexible provisions for longer-term needs and priorities linked to recovery and development;

(iii) Support systemwide efforts to streamline procedures related to the establishment, management and oversight accountability of new funding mechanisms such as pass-through and pooled funds and of procedures related to programme and project appraisal, cost recovery, management and reporting, thereby reducing overall transaction costs.

V. Improved functioning of the United Nations development system

A. Overall coherence, relevance and effectiveness of the United Nations development system

33. Member countries need to have full access to the knowledge, skills and resources of all entities of the United Nations development system. United Nations organizations are increasingly committed to strengthening the coherence of their support to national development endeavours. A number of recommendations of the report of the High-level Panel on System-wide Coherence in the areas of development, humanitarian assistance and the environment reaffirm and give renewed impetus to reform initiatives at the country level mandated by the triennial comprehensive policy reviews of 2001 and 2004 (see A/61/836).

34. When preparing the common country assessment (CCA), increasing care is taken to avoid duplication or substitution of existing national analytical work and to supplement and strengthen national processes leading to the establishment of development priorities, for example, in the form of poverty reduction strategies.

35. National development strategies provide the framework for the focus of United Nations development assistance frameworks, which should have a limited number of priorities. The United Nations development assistance frameworks still tend to focus predominantly on social development issues and pay less attention to issues related to sustained economic growth and productive sectors as well as the broader international agenda of the internationally agreed development goals. A number of specialized agencies have agreements with recipient countries on separate planning frameworks with a sectoral or thematic focus. The recently revised CCA/United Nations development assistance framework guidelines underline the importance of including the broader international agenda of the internationally agreed development goals as a basis for analysis and planning at the country level, in the context of the national development planning process.

36. Apart from joint programming through results matrices of United Nations development assistance frameworks, there is also an increased use of joint programmes, which are understood as a set of activities reflected in a common workplan with a budget implemented and funded by at least two United Nations organizations. Joint programmes, particularly those addressing HIV/AIDS, have shown themselves to be an effective means in promoting collaboration and coherence between the United Nations entities at the country level.

37. Progress has also been made with the harmonization of programming cycles among United Nations organizations with multi-year programmes that belong to the UNDG Executive Committee. The harmonization of the programming cycles for a wider range of United Nations organizations with a role in development is, however, still a challenge.

38. The resident coordinator system is a fundamental vehicle to enhance systemwide coherence at the country level. A key factor for the effective functioning of the resident coordinator system is its collegiality and the participation of all organizations of the United Nations development system that operate or have capacities in areas relevant to current country-level activities, whether or not they

have country presence. Adequate financial resources are necessary to ensure that the resident coordinator system is effective in carrying out its central coordinating role.

39. The function of resident coordinator is performed by the resident representative of UNDP without clear delineations of their responsibilities as manager of the resident coordinator system, on the one hand, and their programmatic role as UNDP representative, on the other. The separation of the two functions is necessary to avoid certain conflicts of interest (such as in fund-raising) and confusing outside perceptions as to the respective roles. UNDP has introduced new measures to better delineate the two functions. UNDP now appoints country directors to run its own core activities, to ensure that resident coordinators are fully available for their tasks and the above-mentioned risks are minimized. Although under UNDP management, resident coordinators increasingly come from outside UNDP, from other United Nations entities or through external recruitment.

40. Increased emphasis is being placed on adequate training and performance appraisal of resident coordinators. Since 2006, resident coordinators have been introduced to new training modules, which should enhance their familiarity with mandates and programming links with different United Nations organizations. A new performance appraisal system for resident coordinators has been designed and implemented, which allows representatives from United Nations organizations and regional director teams to provide direct inputs into resident coordinator assessment ratings. The accountability framework for the resident coordinator needs to fully reflect the role of Governments of host countries in the overall development process.

41. The "Delivering as one United Nations" pilots are currently being undertaken at the request of and under government leadership in Albania, Cape Verde, Mozambique, Pakistan, Rwanda, the United Republic of Tanzania, Uruguay and Viet Nam. A major challenge is that the diversity of the United Nations system is at the disposal of national partners to ensure relevant, effective and efficient programmes in accordance with national development priorities, especially if the "Delivering as one United Nations" country programme provides an integrated budgetary framework. As agreed by CEB, the pilot experiences will be reviewed and evaluated at regular intervals during their implementation, with support from the United Nations Evaluation Group (UNEG).

Recommendations

42. **The General Assembly may wish to:**

(a) **Underscore that the ownership, leadership and full participation of national authorities in the preparation and development of all planning and programming documents of the United Nations development system, including the common country assessment and the United Nations development assistance framework, are key to guaranteeing that they respond to the national development plans and strategies aimed at the achievement of the internationally agreed development goals, including the Millennium Development Goals, of the countries concerned;**

(b) **Emphasize that planning and programming frameworks of operational activities for development of the United Nations system, including the United Nations development assistance framework, need to be fully aligned**

with national development planning cycles, whenever possible, and that they should make use of national capacities and mechanisms, including national assessment mechanisms that can replace CCA, and contribute to the achievement of national development goals, with a particular emphasis on the internationally agreed development goals, including the Millennium Development Goals, upon the request of recipient countries and with respect of their ownership and leadership;

(c) Emphasize that national analytical processes (or CCA when required) and the United Nations development assistance framework shall be the central assessment, planning and programming mechanisms of the United Nations development system and that other assessment and planning frameworks of United Nations organizations, should either be integrated in the national analysis/CCA or United Nations development assistance framework, or at least be clearly coordinated with national analysis/CCA and United Nations development assistance framework in view of keeping the United Nations development assistance framework and the overall United Nations system contribution focused and results-based, avoiding overlaps and harmonizing contributions of different funds, programmes, specialized agencies and other entities of the United Nations system, based on their respective mandates and comparative advantages;

(d) Emphasize that recipient countries should have access to and potentially benefit from the full range of normative and operational mandates and resources, including technical and technological expertise, that can be made available by and through all United Nations organizations, whereby the national analytical processes or CCA, when required and conducted with full leadership of the specific recipient country and making use of existing analytical capacities and mechanisms, should determine which United Nations organizations, both resident and non-resident, will best respond to specific needs and priorities of the individual country and be invited to directly or indirectly contribute to United Nations development assistance framework;

(e) Encourage recipient countries to involve civil society, the private sector and all relevant line ministries that can potentially benefit from support from the United Nations development system in the process of articulating the demand on the United Nations system through national analytical processes/CCA and United Nations development assistance framework and other frameworks;

(f) Invite the United Nations development system and the Bretton Woods institutions to intensify cooperation, collaboration and coordination, including through greater harmonization and consistency of strategic frameworks, instruments, modalities and partnership arrangements, in full accordance with the priorities of the recipient Governments, and with respect for the institutional integrity and organizational mandates of each organization;

(g) Encourage the expanded use of the joint programme approach, i.e., the joint implementation by two or more United Nations organizations and national partners of specific activities with a common thematic focus and a joint workplan and budget, whenever this is the most appropriate and effective

way to implement programmes and projects in support of national development priorities;

(h) Reaffirm that the resident coordinator system, within the framework of national ownership and government leadership of national development processes, has a key role to play in the effective and efficient functioning of the United Nations system at the country level and that this role needs to be strengthened;

(i) Underscore that the resident coordinator system is owned by the United Nations system as a whole, including non-resident agencies, and that participation, inclusiveness, collegiality, transparency and accountability are key principles that underline the functioning of the resident coordination system;

(j) Encourage further efforts by the United Nations development system in:

(i) Selection and recruitment of resident coordinators by considering candidates from all United Nations funds, programmes, agencies and other entities, whereby these entities are encouraged to propose high-quality candidates;

(ii) Strengthening of the training process of resident coordinators, including their induction by all United Nations organizations concerned, as well as mechanisms to support them in the performance of their tasks;

(iii) Implementation of the comprehensive accountability framework for resident coordinators, making it fully participatory of all United Nations organizations involved in the respective country, whether or not they are resident or represented at the regional level;

(k) Request the Administrator of UNDP, in the exercise of his or her responsibilities for the management of the resident coordinator system to ensure:

(i) Further progress in the delineation of the function of resident coordinator and that of UNDP resident representative or country director to avoid conflicts of interest and confusion of roles;

(ii) Establishment of appropriate mechanisms to ensure that the cost of the resident coordinator system does not reduce resources that are destined to development programmes in recipient countries;

(iii) Intensification of efforts to mobilize and sustain adequate levels of support needed for the effective functioning of the resident coordinator system, including through financial, technical and organizational contributions from within the United Nations development system and from Member States;

(iv) Monitoring and evaluation of the cost of the resident coordinator system as compared to total programme expenditures for operational activities for development and to other coordination mechanisms;

(l) Encourage the appointment of non-resident agency coordination analysts, whose main responsibility is to provide support for the inclusion and

equal participation of non-resident agencies and other entities of the United Nations development system and their full participation in the United Nations country team;

(m) **Encourage the use of modern approaches to knowledge management and of advanced information and communication technologies that will facilitate the contribution of non-resident agencies and entities to United Nations development assistance framework and other planning frameworks and mechanisms, as well as overall information-sharing, resulting in more effective delivery of development cooperation of the United Nations system;**

(n) **Request that innovative processes and intermittent and final results achieved in the pilot countries having adopted a "Delivering as one United Nations" approach be closely monitored and evaluated, in close cooperation with the countries concerned, and that the General Assembly and the Economic and Social Council be systematically informed of good practices and lessons learned;**

(o) **Encourage the further development and adaptation of guidance concerning country-level programming, including CCA, United Nations development assistance framework and the resident coordinator system, taking into account experiences and lessons learned in the field, including in the "Delivering as one United Nations" pilot countries against the background of guidance of the triennial comprehensive policy review.**

B. Regional dimensions

43. Several issues that need to be addressed by operational activities of the United Nations system are of a transboundary nature and need to be addressed in a regional and subregional context.

44. The dual role of regional commissions as the regional arm of the United Nations, on the one hand, and part of the regional institutional landscape, on the other, endows them with unique comparative advantages to address cross-border and regional issues of development. They have developed a strong multidisciplinary expertise in a number of development-related issues.

45. All funds and programmes now have regional and/or subregional offices, as do several specialized agencies. Six regional director teams have been established. All funds, programmes and agencies were invited to contribute towards coherent and coordinated regional support to United Nations country teams. Specialized agencies increasingly provide disciplinary expertise through regional and subregional offices.

46. Some progress has been made towards co-locating regional structures of United Nations organizations and ensuring more consistent regional alignment. While there are advantages to co-location of regional teams of United Nations organizations, specific challenges of a transboundary nature may have to be addressed at the subregional level, requiring the establishment of offices at locations other than the main hubs.

Recommendations

47. **The General Assembly may wish to:**

(a) **Recognize that several development challenges related to the achievement of internationally agreed development goals, including the Millennium Development Goals, are of a transboundary nature and can best be addressed through interregional, regional and subregional cooperation, including South-South cooperation, especially related to trade and for the mobilization of technical, technological, human and financial resources;**

(b) **Encourage the United Nations development system to strengthen collaboration with regional and subregional intergovernmental organizations and regional banks to address challenges related to the achievement of internationally agreed development goals, including the Millennium Development Goals, notably those that are of a transboundary nature and require cooperation between countries and organizations at the regional and subregional levels;**

(c) **Request the United Nations regional commissions to further develop their analytical, normative and operational contributions at the regional and country levels, and to provide a comprehensive regional intergovernmental forum for policy dialogue and consensus-building, which may serve as regional mechanisms for enhancing policy and programme coherence among United Nations entities;**

(d) **Request funds, programmes, specialized agencies and other entities of the United Nations system at the regional level and regional commissions to:**

(i) **Further strengthen cooperation and coordination among each other at the regional level and with their respective headquarters, notably with a view to providing oversight, support and quality assurance to operational activities of the United Nations system at the country level, in close consultation with Governments of the countries concerned;**

(ii) **Ensure full participation of all agencies, funds and programmes of the United Nations system, including those that are not represented at the country or regional levels, in their work;**

(e) **Call upon all funds, programmes and specialized agencies of the United Nations system to align, to the greatest extent possible, the country coverage, and where feasible and advantageous, to co-locate their offices in the same location and premises, while identifying appropriate mechanisms at the subregional level to respond to specific challenges that cannot be adequately responded to at the regional hubs.**

C. Transaction costs and efficiency

48. Since 2004, the United Nations system has intensified its efforts to rationalize its implementation arrangements, especially at the country level, and to simplify and harmonize its administrative and financial procedures.

49. The joint office concept was originally conceived as a means to achieve increased cost-efficiency, especially in countries with relatively small United

Nations system presence. A joint office was established by funds and programmes in Cape Verde. It involved the appointment of a shared country representative and resulted in a common country programme and budgetary framework. "Delivering as one United Nations" pilots are the latest embodiment of the joint office concept. They emphasize coherence and effectiveness and involve an inclusive approach with regard to specialized agencies and other entities of the United Nations development system.

50. Some progress has been made with the introduction of common support services and new administrative and financial procedures. Monitoring of the benefits of these new procedures has, however, not been systematic. It may be assumed that some savings on transaction cost have been made for both national Governments and the United Nations organizations themselves, but there is little solid evidence in this regard. The harmonized approach to cash transfers initiative was launched in April 2005 between the UNDG Executive Committee organizations. It bases cash transfers on the upfront assessment of management capacities of partner institutions and strengthens these capacities, when required.

Recommendations

51. **The General Assembly may wish to:**

(a) **Encourage further rationalization of the country presence of the United Nations system, at the request and under the leadership of Governments of respective countries, including the further implementation of the joint office model, common premises and co-location of members of the United Nations country team, common shared support services and, when appropriate, a shared results-based planning, budgeting and reporting framework;**

(b) **Encourage all organizations of the United Nations development system to further harmonize and simplify their business practices, including human resources, finance, administration, procurement, security, information technology, telecommunications, travel and banking, including through the adoption of the International Public Sector Accounting Standards, in view of enhancing accountability and transparency of operational activities for development;**

(c) **Request all organizations of the United Nations development system to further standardize and harmonize the concepts and practices related to transaction cost and cost recovery, while maintaining the principle of full cost recovery in the administration of non-core/supplementary/extrabudgetary contributions;**

(d) **Underscore that high priority needs to be given to lowering transaction costs related to operational activities for development and improving efficiency of these activities on a sustainable basis, in order to lessen the administrative and procedural burden on national partners and the United Nations development system;**

(e) **Encourage organizations of the United Nations development system to:**

(i) Explore to what extent and in what ways savings on transaction cost can be channelled into programme funding that can be made available for operational activities for development in developing countries;

(ii) Make increased use of national systems for support services, when appropriate and to the benefit of the recipient countries, including for procurement, security, information technology, telecommunications, travel and banking, as well as for planning, reporting and evaluation, in view of strengthening national capacities and reducing transaction cost;

(iii) Further explore ways and means to facilitate the participation by United Nations organizations with a role in development in joint and pooled funding mechanisms, including budget support and sector-wide approaches, and to monitor and analyse results and lessons learned in this regard;

(iv) Monitor and evaluate results achieved and lessons learned through "Delivering as one United Nations" pilots, in view of guiding future decisions concerning the follow-up that may be given to the experiment in the future;

(v) Further consolidate the presence of United Nations organizations at the country level, at the request of and in close consultation with the Governments of recipient countries, and based on needs and priorities of these countries, and further develop common services in all areas, whenever feasible and cost-effective;

(vi) Further promote and expand the harmonized approach to cash transfers initiative;

(vii) Explore and develop further methods to enhance overall accountability, transparency and cost-efficiency of United Nations organizations with a role in development.

D. Country-level staff capacity of the United Nations development system

52. Several United Nations organizations, including some specialized agencies, have continued to decentralize their capacity. A major approach to strengthen the response capacity of the United Nations system is through the increasing use of national professional officers. Moreover, the majority of the international staff of both the United Nations development system and the United Nations Secretariat are located in the field. Personnel serving with organizations in the United Nations common system at the field level increased to 54 per cent of all staff in 2005 from 45 per cent in 2000; more than 70 per cent of the staff of UNDP, the United Nations Children's Fund, the United Nations Population Fund and the World Food Programme is in the field.

53. Access of the recipient countries to a great variety of skills and expertise from the United Nations system could enhance the effectiveness of the United Nations system response at the country level. The system's capacity to mobilize all the fundamental skills required for supporting national development strategies and the achievement of the Millennium Development Goals and other relevant

internationally agreed development goals is limited by severe organizational and financial constraints, and still requires intensive, harmonized and integrated efforts.

Recommendations

54. **The General Assembly may wish to:**

(a) **Encourage all organizations of the United Nations development system to take all necessary measures in their human resources policies to ensure that United Nations staff involved in operational activities at the country level have the skills and expertise that are required for effective policy advisory and other capacity development work, in line with national development priorities and plans, including the internationally agreed development goals and the Millennium Development Goals;**

(b) **Encourage all organizations of the United Nations development system to continue and intensify efforts related to inter-agency staff mobility, re-profiling and redeployment of staff, as well as training and skills-upgrading, notably at the United Nations System Staff College;**

(c) **Underscore the importance of the use of national professional staff and consultants, wherever feasible and to the advantage of the recipient countries;**

(d) **Encourage the United Nations development system to further promote, develop and support knowledge management systems, so that recipient countries can avail themselves of knowledge and expertise that is not readily accessible at the country level, including resources readily available at the regional level and from non-resident agencies.**

E. Evaluation of operational activities for development

55. Since 2004, much progress has been made with the strengthening of the evaluation function in funds, programmes, agencies and other entities of the United Nations system. But very few evaluation offices are independent in the sense that they independently report to governing bodies. Evaluation offices are generally underresourced. Few organizations have fully developed evaluation policies.

56. UNEG brings together evaluation units within the United Nations system. Presently, UNEG membership comprises 45 evaluation units from across the United Nations system. The adoption of evaluation norms and standards by UNEG in 2005, in line with international standards for evaluation, constituted a landmark for the harmonization and simplification of the evaluation function in the United Nations system. UNEG promotes a comprehensive and systemwide evaluation system, including: (a) strengthened evaluation functions in individual United Nations organizations; (b) collective networking, mutual collaboration and further harmonization of systemwide evaluation approaches and methodologies; and (c) the possible establishment of a centralized systemwide evaluation unit. UNEG will be involved collectively in the evaluation of the "Delivering as one United Nations" pilots.

57. National Governments of developing countries have primary responsibility for coordinating external assistance and for evaluating the impact on national

development. The emphasis on national ownership of the evaluation process by developing countries represents a paradigm shift, compared to a tradition where evaluation was mostly commissioned by funding organizations. However, United Nations development assistance frameworks are not evaluated on a large scale, and to date there has been but one initiative for a country-led evaluation.

58. In developing countries, evaluation is increasingly recognized as an indispensable tool for accountability and learning for both public and private institutions fostering good governance. Some United Nations organizations have made considerable efforts to professionalize the evaluation function and strengthen the capacities of individual evaluators and their professional associations. Evaluation functions in national Governments have also benefited from technical assistance in some countries.

Recommendations

59. **The General Assembly may wish to:**

(a) **Emphasize that Governments of developing countries need to increasingly assume ownership and leadership in the evaluation of all forms of external assistance, including that provided by the United Nations development system, and invite the United Nations development system to pursue and intensify its efforts to strengthen evaluation capacities in recipient countries of Governments, individual professionals, professional associations and other institutions;**

(b) **Encourage Governments of developing countries, in close cooperation with the United Nations development system, to initiate and conduct joint and country-led evaluations that comprehensively assess the contribution of the United Nations development system to national development plans and strategies, including efforts to achieve Millennium Development Goals and other internationally agreed development goals, and to systematize and disseminate lessons learned from these exercises across the United Nations development system;**

(c) **Encourage the United Nations development system to support and promote monitoring and evaluation of the "Delivering as one United Nations" pilot programme as a whole, and, at the request of and in close cooperation with respective Governments, of each "Delivering as one United Nations" pilot, with a view to assessing both process and results and learning lessons that may be useful to other member countries and the United Nations development system as a whole;**

(d) **Request the United Nations development system to further develop guidance and oversight mechanisms for the funding, planning and implementation of monitoring and evaluation of United Nations development assistance frameworks, with a view to assessing their contribution to national development and the achievement of internationally agreed development goals, including the Millennium Development Goals;**

(e) **Encourage all United Nations organizations involved in operational activities for development that have not done so already to adopt evaluation policies that are in line with norms and standards, of UNEG, and to make the necessary financial and institutional arrangements for the creation and/or**

strengthening of an independent, credible and useful evaluation function within each organization that supports senior management and the governing body of the respective organization in terms of accountability, oversight and learning and contributes to systemwide evaluation;

(f) Encourage the United Nations development system to further strengthen its networking and mutual collaboration with a view to: (a) implementing the norms and standards of UNEG; (b) creating a common systemwide evaluation policy and methodological framework; (c) providing support to evaluation functions within individual United Nations organizations; (d) contributing to training and skills-upgrading of United Nations staff in results-based management and monitoring and evaluation methodologies; and (e) liaising with other evaluation networks and resource centres, in view of promoting professionalization of the evaluation function both in member countries and within the United Nations system.